

DEPARTMENT OF THE ARMY
SAVANNAH DISTRICT, CORPS OF ENGINEERS
CESAS-DB P.O. BOX 889
SAVANNAH, GEORGIA 31402-0889

DISTRICT REGULATION
No. 715-1-8

17 April 1989

Contracting
SMALL AND DISADVANTAGE BUSINESS UTILIZATION (SADBU) PROGRAM
SELECTING PROJECTS FOR 8(A) CONTRACTING

1. Purpose: To establish District policy on selecting for 8(a) contracting. The Small Business Administration's (SBA) business development program for socially and economically disadvantaged form is commonly called the 8(a) program (Section 8(a) of the Small Business Act). Under this program, the Government awards prime contracts to the SBA which, in turn, subcontracts noncompetitively with one of its certified Section 8(a) contracts (FAR 19.801).

2. Applicability: This policy is applicable to all areas of the Savannah District.

3. References:

a. Federal Acquisition Regulation, Subpart 19.8, as supplemented by DFARS, AFARS and EFARS thereto.

b. Public Law 95-507, Section 8(a) of the Small Business Act.

c. Small and Disadvantage Business Handbook, dated April 87 on file in the Small Business Office.

4. Policy: It is the policy of the Savannah District to place a proportion of its purchases and contracts for supplies, service and construction with the SBA's 8(a) subcontractors sufficient to meet the annual goal assignments to the Savannah District. SADBU program goals are established for each Federal Government activity on a fiscal year basis.

This regulation supersedes DR 715-1-8 dated 6 January 1988.

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The goal setting process begins with the District SADBUs specialist who is tasked each year by Headquarters, USACE to develop District goal projections which are used in developing USACE goal projections which, in turn, are used by the Develop Army goal projections.

The military department's projections are then used by the Department of Defense Director of SADBUs in developing and negotiating DOD goals with the SBA. Goals are passed down to the South Atlantic Division who, in turn, distributes their goal assignment among the five District offices. If District Commander so directs, SADBUs Advisor will also prepare a letter to Division SADBUs suggestion 8(a) goals prior to USACE's request for input. District Commanders shall have small and disadvantaged business utilization goal attainment included as part of their annual performance appraisals.

5. Procedures:

a. Under the direction of the Commander, the SADBUs Advisor is responsible for developing and administering this program.

b. Approximately 15 May preceding the start of the next fiscal year, the SADBUs Advisor will call a meeting to review the construction, supply, service and A&E programs to determine the initial projects suitable for 8(a) nomination. Attendees shall include the Commander, DD-M, DD-C, EN, CD, OP, CT, SADBUs Advisor and any other staff elements who may have projects suitable for 8(a). Public Law 95-507 includes all contracting programs over \$25,000, including Architect-Engineer contracts. Simultaneously, a second list of projects will be prepared that are considered appropriate for the small disadvantaged business set-aside program.

c. Staff elements shall provide attendees with a tabulation of all planned projects for the ensuing fiscal year, their dollar value, and rationale for the projects recommended as well as for those not recommended. This information will also be used to develop goal projections to Headquarters, USACE as described in paragraph 4, Policy, above.

d. Prior to the 15 May meeting, Engineering Division, Military Branch, shall coordinated with the customer the inclusion of a project in the District's 8(a) program.

On civil cost shared contracts, the local sponsor also needs to be involved in the selection process and concur. Following concurrence of all parties the selected projects will be submitted to the commander for approval. Once approved, the projects will be offered to the SBA to be reserved as 8(a) projects.

e. SADBUE office stocks a supply of SBA's approved 8(a) nomination forms and will provide Project managers with sufficient copies to nominate 8(a) projects. Project Managers shall describe the work in detail giving the approximate percentage for each discipline so that the correct Standard Industrial Classification (SIC) can be determined. contracts are certified by SBA by SIC code and matched with projects accordingly. Appropriate project managers (i.e. EN, CD, etc.), the SADBUE office, and Contracting Division shall jointly determine proper SIC Code.

f. FAR 19.802 states "Selecting concerns for the 8(a) program is the responsibility of SBA and is based on the criteria established in 13 CFR 124.1-1(c) and Public Law 95-507." In accordance with the Public Law, to the maximum extent possible, the contractor shall be located in the state where the work is to be performed and have the same SIC code. The Public Law includes other evaluating criteria but these are paramount.

g. To maintain the integrity of the SADBUE Program which Encourages 8(a) contractors to market their companies, the SADBUE Advisor will develop a portfolio of qualified 8(a) contractors for identifying an 8(a) contractor to be matched to each nominated project.

(1) SADBUE will schedule meetings to introduce these contractors to the technical staff for evaluation.

(2) Contracting Division will perform pre-award surveys on SADBUE Advisor's recommended 8(a) contractors.

(3) This portfolio of 8(a) contractors will also be used to support the Department of Defense Small Disadvantaged Business Set Aside Program.

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h. Checklist and time period for Procedures follow:

(1) 1 May - SADBUs notice of 15 May meeting to staff elements.

(2) 15 May - Meeting to select 8(a) projects.

(3) 1 June - Project Managers furnished SADBUs Advisor a type SBA nomination from each project with correct "SIC" code.

(4) 15 July - SADBUs Advisor in conjunction with EN-M and CD matches each project to a recommended contractor.

(5) 30 July - Small Business Office nominates projects to the SBA with our recommended contractors and requests an approved match no later than 30 September of each Fiscal year. In the event SBA does not accept or concur with our recommended contractors, and matches our projects with unknown 8(a) contractors, pre-award surveys will be performed to determine responsibility and experience.

i. The SBA directs their acceptance or rejection of 8(a) nominations through the South Atlantic Division SADBUs for approval on behalf of each District. If Districts, for any reason, intend to withdraw projects, District SADBUs must coordinate such action with the Division SADBUs Advisor by written memorandum. To maintain the initial program offered, all requests for withdrawals must be approved by the District Commander and a replacement project of equal value offered.

j. Subsequent nomination of 8(a) projects during fiscal year shall be coordinated with the appropriate Deputy Commander and SADBUs Advisor.

RALPH V. LOCURCIO
Colonel, Corps of Engineers
Commanding

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plus
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